Thursday, June 22, 2006

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Purchasing Service Agreement RECOMMENDATION FOR COUNCIL ACTION

Subject: Authorize award, negotiation and execution of a professional service agreement with BUSINESS INVESTMENT IN GROWTH (BiG), Austin, TX, for the period of July 1, 2006 through September 30, 2006 for technical assistance and training for certified micro-enterprises in an amount not to exceed \$35,487.75.

Amount and Source of Funding: Funding in the amount of \$35,487.75 is available in the Fiscal Year 2005-2006 Neighborhood Housing and Community Development Special Revenue Fund for the Community Development Block Grant.

Additional Backup Material

(click to open)

No Attachments Avaitable

For More Information: Vikie DeLuyck, MSW, Senior Buyer/974-2003; Paul Hilgers, Director of NHCD/974-3108.

Purchasing Language: Professional Service.

MBE/WBE: This contract will be awarded in compliance with Chapter 2-9B of the City Code (Minority-Owned and Women-Owned Business Enterprise Procurement Program). No subcontracting opportunities were identified; therefore, no goals were established for this solicitation.

This item is on City Council as the City Manager through NHCD, administratively awarded a contract covering October 1, 2005 through January 31, 2006. The contract was a service agreement in the amount of \$46,317 to Business Invest in Growth (BiG). The Scope of Work was to provide technical assistance and training to certified micro-enterprises (a business of five or less employees where one of the employees is the business owner) through the City's Micro-Enterprise Technical Assistance Program. This program provides operational funds for essential classroom training and technical assistance to certified micro-enterprises. The Micro-Enterprise Technical Assistance program is funded by Community Development Block Grant Funds provided by the U.S. Department of Housing and Urban Development (HUD).

This new professional service agreement with BiG will provide a similar Scope of Work, allowing small business owners and entrepreneurs to continue receiving services. During this period, Neighborhood Housing and Community Development will develop a revised Scope of Work using the new service delivery model for small business development services and provide time for the purchasing solicitation process to be completed.

For the term of this service agreement, BiG will provide:

- An additional 40 hours of technical assistance to certified micro-enterprises in specified business areas
- Aid and assist at least five unduplicated individuals to start up or expand a certified microenterprise business

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o Conduct at least two 2-hour seminars to certified micro-enterprises that targets a group of at least 10 participants

o Seminars to certified micro-enterprises that cover business development topics

o Conduct at least one additional 2.5-hour model using the Start Smart Entrepreneurship Training Program for certified micro-enterprises

This agreement is consistent with NHCD's 2000-2005 Consolidated Plan which states that NHCD will commit a portion of its annual allocation of CDBG funds to help create and retain job opportunities for low-moderate income residents through various economic development activities and provide training and technical assistance to certified micro-enterprises. The combined total of the two contracts exceed the City Manager's authority, therefore, this action is requested to be approved by City Council.